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DEC 19 REC'D

via e-mail Jm

Hearing Clerk
Room 1081
South Building
United States Department of Agriculture
Washington, DC 20250

7 CFR Parts 1033

Docket No. AO-166-A68; DA-01-04

Milk in the Mid East Marketing Area

The Kroger Co. supports the position as stated in the brief of Dairy Farmers of America to revise the original proposal on modifying the current formula for calculating advanced payments. The original proposal required that the advance payment be calculated by multiplying the lowest class price from the previous month by 110%. The revised proposal would calculate the advance payment by multiplying the lowest class from the previous month to 105% of the lowest class price of the previous month.

This revision reflects a fairer balance between the needs of dairy farmers and those of the processing industry.

For the reasons stated above The Kroger Co. supports the revised proposal to calculate the advance payment by multiplying the lowest class price from the previous month by 105%.

Respectfully,

John Hitchell
General Manager Raw Milk Procurement
The Kroger Co.